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JUN 25 2002

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

JUN 26 2002

MICHAEL W. DOBBINS
CLERK, U.S. DISTRICT COURT

UNITED STATES OF AMERICA)
)
 v.)
)
 CHRISTIAN NARKIEWICZ-LAINE)

No.

02CR0627
Violations: Title 18
United States Code
Sections 2, 1001 and 1341

COUNT ONE

JUDGE COAR

MAGISTRATE SIDNEY I. SCHENKIER

The SPECIAL MARCH 2001 GRAND JURY charges:

1. At times material to this indictment:

(a) The Chicago Athenaeum Museum of Architecture and Design (hereinafter the "Athenaeum") was a non-profit architecture and design exhibition museum located at 6 North Michigan Avenue in Chicago, Illinois. As part of its activities, the Athenaeum hosted architectural, design, and cultural events for foreign governments.

(b) Defendant CHRISTIAN NARKIEWICZ-LAINE was the Athenaeum's President, Director and chief curator, and responsible for all day-to-day Museum operations, including all financial operations such as hiring third-party vendors, receiving and paying all bills and invoices, and all banking activities and transactions.

(c) The Royal Danish Consulate General (hereinafter the "Consulate") was the official representative of the Government of Denmark in Chicago, with offices at 875 North Michigan Avenue, Chicago, Illinois. The Consulate was led by an Ambassador and Consul General, and staffed by subordinate trade and export officers.

(d) In late 1995, defendant CHRISTIAN NARKIEWICZ-LAINE, acting on behalf of the Athenaeum, solicited the Consulate to sponsor an exhibition of Danish architectural and design items and products to be held at the Athenaeum. After several months of discussion, the Consulate, on behalf of the Government of Denmark, agreed to sponsor a Danish architectural and design exhibition called "Denmark Through Design" in conjunction with, and to be held at, the Athenaeum. The Consulate agreed to solicit Danish corporate sponsors for the "Denmark Through Design" exhibition. With the assistance of defendant CHRISTIAN NARKIEWICZ-LAINE, in late 1995 and early 1996 the Consulate solicited and obtained the agreement of approximately 75 Danish corporations to participate in the "Denmark Through Design" exhibition by contributing Danish-designed products and items. The Consulate also solicited and obtained agreements from various Danish corporate exhibition contributors to fund the exhibition by making cash contributions of up to \$10,000 to the "Denmark Through Design" exhibition.

(e) The Consulate and the Athenaeum agreed through their respective representatives that the Athenaeum would hire third-party vendors to produce, promote, and provide services to the exhibition. The Consulate and the Athenaeum further agreed that the Athenaeum would pay these third-party vendors initially from Athenaeum funds, present the invoices to the Consulate, and be

reimbursed from a joint checking account established by the parties for all legitimate expenses.

(f) In April 1996 the Consulate and the Athenaeum established a joint checking amount in the name of "Denmark Through Design, c/o Royal Danish Consulate General" at the American National Bank and Trust Company of Chicago (hereinafter the "joint account"). All sponsorship contributions were to be deposited into this joint account (#18118941), and all expenses of the exhibition were to be paid from this account by reimbursing the Athenaeum for its initial payment of expenses and third-party vendor invoices. The joint account required two signatures on each check for funds to be disbursed: one signator on behalf of the Consulate, and one signator on behalf of the Athenaeum. Defendant CHRISTIAN NARKIEWICZ-LAINE was the authorized signator for the Athenaeum, and signed all checks disbursing funds from the joint account.

(g) Between approximately May 1, 1996 and approximately November 29, 1996, approximately \$158,500 in contributions obtained by the Consulate was deposited into the joint account. During this same time period, approximately \$138,000 was disbursed from the joint account to the Athenaeum after defendant CHRISTIAN NARKIEWICZ-LAINE, acting on behalf of the Athenaeum, knowingly presented fraudulent and inflated invoices to the Consulate from third-party vendors who provided support and services for the exhibition.

2. From on or about May 1, 1996 to on or about January 25, 1997, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

CHRISTIAN NARKIEWICZ-LAINE, defendant herein, devised, intend to devise, and participated in a scheme and artifice to defraud and to obtain money and property from the Royal Danish Consulate by means of materially false and fraudulent pretenses, representations, promises, and omissions (herein referred to as "the scheme").

3. It was part of the scheme to defraud that beginning in May 1996 and continuing until at least August 13, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE altered legitimate third-party invoices he received from vendors who provided legitimate goods and services to the exhibition by fraudulently increasing the amounts reflected on the legitimate invoices, and creating new invoices reflecting fraudulent amounts in order to create the false appearance that these invoices were created by third-party vendors, and represented legitimate amounts billed for goods and services provided by third party vendors.

4. It was further part of the scheme to defraud that between May 1996 and August 1996, defendant CHRISTIAN NARKIEWICZ-LAINE presented to the Consulate for payment from the joint account to the Athenaeum approximately \$54,263 in fraudulently increased or created third-party vendor invoices.

5. It was further part of the scheme to defraud that defendant CHRISTIAN NARKIEWICZ-LAINE falsely told Consulate officials that the fraudulently altered or created invoices had been paid in full by the Athenaeum and that the Athenaeum was therefore entitled to full reimbursement.

6. It was further part of the scheme to defraud that defendant CHRISTIAN NARKIEWICZ-LAINE fraudulently induced the Consulate to pay the Athenaeum approximately \$54,263 from the joint account between June and November 1996 in reliance upon the fraudulently altered or created invoices he presented to the Consulate.

7. It was further part of the scheme to defraud that in November 1996 defendant CHRISTIAN NARKIEWICZ-LAINE, without informing Consulate officials, demanded from three Danish corporate sponsors that they make their exhibition sponsorship payments directly to the Athenaeum, rather than to the joint account established for the "Denmark Through Design" exhibition.

8. It was further part of the scheme to defraud that in November and December 1996 defendant CHRISTIAN NARKIEWICZ-LAINE received \$8500 in checks made out to the Athenaeum from three Danish corporate sponsors and deposited these checks into the Athenaeum's bank account rather than into the joint account, and concealed this information from Consulate officials.

9. It was further part of the scheme to defraud that on August 13, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE submitted two fraudulent invoices on Athenaeum letterhead (both invoices bearing the number 9691) to the Consulate, which invoices listed numerous fraudulently inflated or created items which defendant CHRISTIAN NARKIEWICZ-LAINE falsely represented had been submitted by third-party vendors to the Athenaeum, and paid by Athenaeum funds. Attached to these two Athenaeum invoices were the fraudulently altered or created third-party vendor invoices which defendant represented had been paid by the Athenaeum and for which he was seeking reimbursement to the Athenaeum from funds in the joint account. Defendant CHRISTIAN NARKIEWICZ-LAINE had fraudulently increased the actual face amount of these invoices by over \$40,000.

10. It was further part of the scheme to defraud that on August 21, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE met with representatives of the Consulate and demanded immediate payment of approximately \$53,425 in third-party vendor invoices, including the fraudulently altered and created invoices attached to the two Atheneum invoices bearing Atheneum invoice number 9691; and further demanded that Consulate officials seek immediate payment of unfulfilled sponsorship pledges which had been made in the preceding months by seven Danish corporate sponsors of the "Denmark Through Design" exhibition, including:

.	Bodum	\$2,500
.	Caprani Light	\$1,000

.	DSB	\$5,000
.	Folle	\$1,000
.	Grundfos	\$5,000
.	Radiometer	\$5,000
.	Vilhelm Lauritzen	\$5,000

11. It was further part of the scheme to defraud that on August 21, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE also faxed a letter to the Consulate demanding immediate payment of the \$53,425.59 in invoices he had presented to the Consulate on August 13, 1996, and of \$24,500 in sponsorship pledges from these seven Danish corporate sponsors.

12. It was further part of the scheme to defraud that Defendant CHRISTIAN NARKIEWICZ-LAINE caused Consulate Officer Niels Rasmussen to fax letters to all seven Danish corporations on August 22, 1996 requesting that the corporations fulfill their pledges by sending their sponsorship checks to the joint account of "Denmark Through Design."

13. It was further part of the scheme to defraud that pursuant to defendant CHRISTIAN NARKIEWICZ-LAINE's demands for payment of the third-party vendor invoices he presented to the Consulate on August 13, 1996, and to pay additional sums defendant CHRISTIAN NARKIEWICZ-LAINE represented as being due the Athenaeum, the Consulate paid the Athenaeum \$73,300 from the joint account in October 1996, including over \$40,000 for the fraudulent invoices defendant CHRISTIAN NARKIEWICZ-LAINE had created or altered.

14. It was further part of the scheme to defraud that defendant CHRISTIAN NARKIEWICZ-LAINE caused the following Danish corporations to transmit checks to the Consulate for deposit in the "Denmark Through Design" joint account:

(a)	Vilhelm Lauritzen	\$5,000	August 29, 1996
(b)	Grundfos	\$5,000	August 30, 1996
(c)	DSB	\$5,000	September 11, 1996

The Consulate deposited these three checks into the joint account in November 1996.

15. It was further part of the scheme to defraud that, despite the fact that Consulate Officer Rasmussen had written and faxed the Danish corporation Radiometer on August 22, 1996 seeking payment of its \$5,000 sponsorship pledge to the joint account, on September 13, 1996 defendant CHRISTIAN NARKIEWICZ-LAINE faxed Athenaeum invoice #96401 to Radiometer's U.S. subsidiary in Westlake, Ohio, demanding immediate payment of \$5,000 from Radiometer America, Inc., for a purported advertisement in the "Denmark Through Design" Gallery Guide, and advising Radiometer to make its check payable to the Athenaeum.

16. It was further part of the scheme to defraud that on approximately November 18, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE caused Radiometer America, Inc., to mail its check #0073448 in the amount of \$5,000, payable to "The Chicago Athenaeum, 6 North Michigan Avenue, Chicago, Illinois 60602", to the Athenaeum.

Defendant CHRISTIAN NARKIEWICZ-LAINE deposited this check into the Athenaeum's bank account, and concealed from the Consulate that he and the Athenaeum received the Radiometer sponsorship funds owed to the "Denmark Through Design" joint account.

17. It was further part of the scheme to defraud that, despite the fact that Consulate Officer Rasmussen had written and faxed the Danish corporation Bodum on August 22, 1996 seeking payment of its \$2,500 sponsorship pledge to the joint account, on November 8, 1996 defendant CHRISTIAN NARKIEWICZ-LAINE faxed Athenaeum invoice #96401 to Bodum's U.S. affiliate in Racine, Wisconsin, demanding \$2,500 from Bodum for its sponsorship of the exhibition, and advising Bodum to make its check payable to the Athenaeum.

18. It was further part of the scheme to defraud that on approximately November 8, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE caused Bodum to mail its check #0057658, in the amount of \$2,500 payable to the Athenaeum, to the Athenaeum. Defendant CHRISTIAN NARKIEWICZ-LAINE deposited this check into the Athenaeum's bank account, and concealed from the Consulate that he and the Athenaeum received the Bodum sponsorship funds owed to the "Denmark Through Design" joint account.

19. It was further part of the scheme to defraud that, despite the fact that Consulate Officer Rasmussen had written and faxed the Danish corporation Caprani Light on August 22, 1996

seeking payment of its \$1,000 sponsorship pledge to the joint account, on November 11, 1996 defendant CHRISTIAN NARKIEWICZ-LAINE faxed Athenaeum invoice #96402 to Caprani Light's U.S. affiliate in Elk Grove Village, Illinois, demanding \$1,000 from Caprani Light for its sponsorship of the exhibition, and threatening legal action if payment were not made immediately to the Athenaeum.

20. It was further part of the scheme to defraud that on approximately December 10, 1996, defendant CHRISTIAN NARKIEWICZ-LAINE caused Caprani Light, Inc., to mail its check #3635, in the amount of \$1,000 payable to the Athenaeum, to the Athenaeum. Defendant CHRISTIAN NARKIEWICZ-LAINE deposited this check into the Athenaeum's bank account, and concealed from the Consulate that he and the Athenaeum received the Caprani Light, Inc., funds owed to the "Denmark Through Design" joint account.

21. It was further part of the scheme to defraud that between approximately May 1996 and January 25, 1997, defendant CHRISTIAN NARKIEWICZ-LAINE defrauded the Royal Danish Consulate of approximately \$62,763, and unlawfully converted such funds to the Athenaeum's use, by submitting fraudulently altered or created invoices to the Consulate, receiving payment from the joint account for such fraudulent invoices, and converting Danish corporate sponsorship funds to the Athenaeum's use.

22. On or about December 10, 1996, at Elk Grove Village, in the Northern District of Illinois, Eastern Division, and elsewhere,

CHRISTIAN NARKIEWICZ-LAINE,
defendant herein, for the purpose of executing the above-described scheme and attempting to do so, knowingly did cause to be deposited in an authorized United States Postal Service depository and delivered according to the directions thereon, a letter from Caprani Light, Inc., of Elk Grove Village, Illinois, addressed to The Chicago Athenaeum Museum, 6 North Michigan Avenue, Chicago, Illinois 60602, containing Caprani Light Inc.'s check number 3635 in the amount of \$1000 payable to the Athenaeum.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT TWO

The SPECIAL MARCH 2001 GRAND JURY further charges that:

1. The allegations of paragraphs One through Twenty-one of Count One are incorporated as though fully set forth herein.

2. On or about January 19, 1997, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

CHRISTIAN NARKIEWICZ-LAINE,

defendant herein, for the purpose of executing the above-described scheme and attempting to do so, knowingly did cause to be deposited in an authorized United States Postal Service depository and delivered according to the directions thereon, a letter addressed to Carol's Event Staffing, 1828 West Addison, Chicago, Illinois 60613.

In violation of Title 18, United States Code, Sections 1341 and 2.

COUNT THREE

The SPECIAL MARCH 2001 GRAND JURY further charges that:

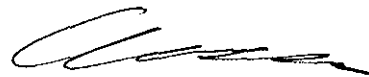
1. On or about May 31, 2001, at Chicago, in the Northern District of Illinois, Eastern Division and elsewhere,

CHRISTIAN NARKIEWICZ-LAINE,

defendant herein, knowingly and wilfully, in a matter within the jurisdiction of the Federal Bureau of Investigation, an agency within the executive branch of the United States, made materially false, fictitious, and fraudulent statements and representations, in that the defendant falsely told a Special Agent of the Federal Bureau of Investigation that he had not altered any third-party vendor invoices submitted to the Royal Danish Consulate by the Athenaeum related to the exhibition "Denmark Through Design" held at the Chicago Athenaeum Museum during 1996;

In violation of Title 18, United States Code, Section 1001(a)(2).

A TRUE BILL:



FOREPERSON


UNITED STATES ATTORNEY

No.

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA

vs.

CHRISTIAN NARKIEWICZ-LAINE

I N D I C T M E N T

Violations: Title 18, United States
Code, Sections 2, 1001 and
1341

A true bill,



Foreman

Filed in open court this JUN 26 2002 day of JUN, D. 20__

MICHAEL W. DOBBINS

Clerk

Bail, \$ _____

FO 880.320